Report to Albertans

Rationale of Minister's Approval of Proposal under the *Health Care Protection Act*

September 13, 2002

Alberta
HEALTH AND WELLNESS

MESSAGE FROM THE MINISTER

The Alberta government is committed to public health care. To help our public health system meet the challenges of sustainability and remain responsive to Albertans' needs, the Premier's Advisory Council on Health recommended an innovative blend of public, private and not-for-profit organizations and facilities to improve health care delivery in the province.

We are open to such innovation and alternative service delivery, but will approve private surgical facilities and services only if they meet the requirements of Alberta's *Health Care Protection Act*, demonstrate a benefit to the public, and show no adverse impact on our public health system, or on our ability to comply with the *Canada Health Act*.

I am pleased to present my rationale for approving the first proposal to provide in-patient surgical services under the *Health Care Protection Act*.

In-patient services are those requiring more than 12 hours of medically supervised post-operative care. The College of Physicians and Surgeons of Alberta has determined that five specific orthopaedic procedures requiring an overnight stay may be provided outside of a public hospital. The approved proposal allows these selected orthopaedic surgeries to be provided to uninsured patients.

Watson Wyatt, another independent third party, reviewed the assessment criteria used to evaluate the proposal. Alberta Health and Wellness initially reviewed the Health Resource Centre proposal, and Dr. David Matheson of DMMD Consulting, an independent third party, assessed the team's recommendations. Five regional health authorities that provide similar services conducted impact assessments to ensure RHAs would not be negatively affected.

In my own evaluation, I reviewed the information again, focusing on the impact on the public health system, government's ability to comply with provincial and federal legislation, and how the facility serves the public interest and provides a benefit to Albertans.

Albertans can be confident the approved proposal meets all legislated and regulatory requirements, and that this truly is an accountable process that protects the public delivery of insured health services.

Original signed by the Minister

Gary G. Mar, Q.C.
Minister of Health and Wellness

RATIONALE FOR APPROVAL

Executive Summary

Network Health Inc. proposes to provide five uninsured in-patient orthopaedic surgical services at its Health Resource Centre (HRC) facility. In-patient services require more than 12 hours of medically supervised post-operative care; they are referred to commonly as "overnight stays."

Orthopaedic surgical services are insured services in the public health system unless the patient is a client of a third-party payer such as the Workers' Compensation Board (WCB), the RCMP and Canadian Armed Forces. The HRC proposal is for services to these uninsured patients. HRC also proposes to serve WCB and health care insurance plan clients from other provinces and territories. A small number of surgeries will be provided to non-Canadian residents.

The five uninsured surgical services HRC proposes to offer are: uncomplicated primary total hip, knee and shoulder replacement, lumbar spinal laminectomy and posterior spinal fusion, not exceeding two disc-space levels. The College of Physicians and Surgeons of Alberta decided last year these types of procedures could be performed safely for low-risk patients in a private surgical facility. All major surgery in Alberta *must* be performed in a hospital.

HRC expects to perform five to 10 surgical procedures a week at its 37-bed facility, for a total of 441 procedures a year.

Assessment Summary

The department of Alberta Health and Wellness reviewed the proposal using strict, independently validated criteria. An independent third party confirmed the rationale for the results. Five regional health authorities who provide similar services also conducted impact assessments to ensure RHAs would not be negatively affected.

In addition, I reviewed the proposal with consideration of the department's recommendations and the RHA assessments.

Compliance

Since September 28, 2000, all private sector proposals to provide surgical services must comply with the *Health Care Protection Act* and its regulations. I am satisfied this proposal meets those requirements, provides a benefit to the public, is in the public interest, shows no adverse impact on our public health system or on our ability to comply with the *Canada Health Act.*

Services will be provided by physicians who have proven qualifications and experience. Provisions are in place to monitor physicians' compliance with the *Medical Profession Act.* The facility holds College of Physicians and Surgeons of Alberta accreditation for medical safety.

Public Benefit

One public benefit is increased operating and recovery room time in hospitals. Moving some uninsured patients out of public hospitals frees up operating and recovery room space for other insured procedures. This is especially important in Calgary, which, like the Capital region, provides complex and resource-intensive services to Albertans from across the province to meet specialized medical needs.

An additional public benefit is a faster turnaround time between specialist consultation and surgery, which will help put injured workers back on the job sooner.

Because third parties pay for these services, no Alberta government public health dollars will be spent on the facility or towards the fees for the physicians providing services there. There will also be no cost to the public for hospital services in the rare event a post-surgical complication requires care within the public system.

To support the spirit and intent of the *Canada Health Act*, HRC will not be permitted to provide services to Canadian residents who wish to pay directly or use private insurance to pay for services at the facility.

Workforce Issues

The Calgary Health Region has reviewed HRC's staff recruitment plan and officials assure me that planned recruitment efforts will not negatively affect the region's workforce.

Doctors who work at the facility choose to do so in addition to working their quota of operating room hours in the public system. HRC will neither employ nor consider referrals from doctors who have opted out of the Alberta Health Care Insurance Plan.

HRC's staff recruitment plan outlines the need for nine additional registered nursing Full Time Equivalents (FTEs). The Calgary Health Region employs over 4,000 registered nursing FTEs. While the recruitment of registered nurses is always an issue, I am assured HRC's recruitment efforts will not have a meaningful impact on the health region's nursing workforce.